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Susan A. Brooks
REGISTER OF DEEDS

LEASE AGREEMENT

WITNESS this Agreement, entered into this 22ND day of July, 2005, by and between THE TOWN OF MOULTONBOROUGH, a New Hampshire municipal corporation, having its principal place of business at the Town Offices, P.O. Box 139, Moultonborough, New Hampshire 03254 (the "Lessor"), and PAD Realty Corp of NH, of RR2 Box 1 - Route 25, Center Harbor, NH 03226 (the "Lessee").

The Lessor is the owner of a certain parcel of land located in the Town of Moultonborough, County of Carroll and State of New Hampshire, also known as Tax Map 40, Lot 19, on the Tax Map of the Town of Moultonborough, a more specific description of which is attached as Exhibit A and incorporated herein, and the Lessee is the owner of a building located upon said parcel of land, and from which the Lessee currently operates the business known as DiSalvo and Company, P.A., providing accounting services.

The Lessee desires to lease the parcel of land from the Lessor for the purpose of operating and maintaining the business known as DiSalvo and Company, P.A. in the building owned by the Lessee, and the Lessor wishes to lease said property to the Lessee for the same purpose.

Therefore, in consideration of the mutual covenants contained herein, and upon the terms hereafter contained, the Lessor hereby leases the above described parcel to the Lessee.

Section 1: Terms

1.1 The term of the Lease shall run for a period of twenty-five years, beginning on the 1st day of April, 2006, and ending on the 31st day of March, 2031, subject to the provisions of Section 23, below.

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Section 2: Rent

2.1 The Lessee shall pay annual rent in the amount set forth herein. The rent for the first five (5) years shall be \$1,860.00 per annum, commencing on the effective date of this lease and payable on April 1, 2006, in advance, for the succeeding year. On the fifth, tenth, fifteenth, and twentieth anniversaries of the effective date of this lease, the annual rent shall be adjusted according to the increase or decrease in the Consumer Price Index over the preceding five years, provided, however, that the rent shall not increase or decrease by more than fifteen percent (15%) at any one time.

Section 3: Use of the Premises

3.1 The leased parcel shall be used and occupied by the Lessee for any lawful commercial purpose, subject to approvals, if required, by the Moultonborough Planning Board, Zoning Board of Adjustment, Code Enforcement Officer, or Board of Selectmen. In addition, the second floor of the existing building may be used for no more than two (2) apartment units for residential purposes, subject to reasonable inspection, with notice, by the Lessor.

3.2 The Lessee's use and occupancy of the premises shall comply with all state, federal and local laws and regulations. In the event Lessee wishes to alter the present use or the structure located on the premises, Lessee shall obtain all appropriate licenses, permits and approvals from government authorities, including planning board or zoning board approvals.

3.3 Prior to any expansion of the structure located on the premises, whether or not a local permit is required for the expansion, Lessee shall notify the Lessor in writing of its intent to expand, shall provide a diagram or plan of the proposed expansion, and shall obtain Lessor's written consent before commencing construction. Prior to the erection of such structures, Lessee and Lessor shall determine whether such structure or structures shall become fixtures once erected. Fixtures shall remain the property of the Lessor, notwithstanding the termination of the Lease or the vacation of the premises by the Lessees.

Section 4: Utilities

4.1 Lessee shall pay for all utilities associated with its use of the leased parcel, including costs of water and sewage.

4.2 Lessee shall not be responsible for costs of utilities related to any structure not located on the leased premises.

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Section 5: Maintenance

5.1 Lessee shall maintain the premises, and any improvements placed thereon by Lessee, at its sole cost. Lessee shall maintain the exterior of the structure on the leased premises in good condition.

5.2 The Lessee shall provide for its own snow removal to allow for access, egress, and parking for the business and tenants during the winter months. The Lessee shall be responsible for any damages to the Lessor's property which may occur during snow removal operations, but the Lessor shall be held harmless from any claim or liability it may incur during snow removal operations.

Section 6: Insurance

6.1 Lessee shall obtain and maintain general insurance coverage, liability insurance, and fire insurance on the leased parcel and on its operations in an amount equal to the amount of coverage held by the Lessor for like operations and buildings. The Lessee shall identify the Town of Moultonborough as an additional insured for all required insurance coverage policies. The Lessee shall provide the Lessor annually with certificates evidencing all such insurance policies. The insurance policies shall contain a provision that the insurance cannot be canceled without at least thirty (30) days advance written notice from the insurance carrier to the Town of Moultonborough.

6.2 Should the structure on the leased premises be damaged by fire or other casualty during the term of the lease, it shall be the responsibility of the Lessee to repair such damage and restore the premises to the condition which existed prior to such casualty as soon as reasonably possible. If the structure on the premises is totally destroyed by fire or other casualty, the Lessee shall have the option to terminate this Lease as of the date of the total destruction of the property. In such event, Lessee shall make the premises safe and secure and remove any partially or wholly destroyed structures or the remains thereof from the leased premises.

Section 7: Indemnification

7.1 The Lessee shall indemnify and hold harmless the Lessor against all claims arising from the Lessee's use of the premises or the structure thereon, or from the conduct of the Lessee's business, or from any activity permitted or suffered by the Lessee in connection with the use of the premises under this Lease, and shall further indemnify and hold harmless the Lessor against

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all claims arising from any breach or default in the performance of any obligation on the Lessee's part to be performed under the terms of this Lease, or arising from any negligence of the Lessee, its agents, contractors, employees, or subtenants, and against all costs, attorneys' fees, expenses and liabilities incurred by the Lessor in the defense of any claim or any action or proceeding brought thereon. In any action brought against the Lessor by reason of such claim, Lessee shall, upon notice of Lessor, defend such claim at Lessee's expense, by counsel satisfactory to the Lessor.

Section 8: Compliance with Law

8.1 The Lessee shall comply with all federal, state, and/or local laws, ordinances and regulations dealing with the use of the parcel and the construction of any improvements thereon, and will save the Lessor harmless from any damage, penalty or charge imposed or incurred for the violation of such laws, ordinances or regulations, whether occasioned by the Lessee or its agents, employees or invitees. Lessee shall pay all costs, fees, or user charges occasioned by its use of the leased premises. Lessee shall comply with all federal and state laws prohibiting discrimination on any grounds, and shall provide disabled or handicapped access, if required by federal and/or state law. Lessee shall comply with all environmental laws and regulations governing the use of the premises.

Section 9: Taxes

9.1 Pursuant to RSA 48-B:4, as amended, Lessee shall pay all properly assessed real and personal property taxes assessed against the structure located on the leased premises by reason of the structure's use and occupation, no later than the due date for payment thereof. Nonpayment of such taxes will entitle the Lessors, in addition to any rights conferred by this Lease, to exercise all remedies provided generally for the collection of taxes. In the event that the foregoing tax provision is determined by a court of competent jurisdiction to be inapplicable, the Lessee shall pay annually to the Lessor a sum of money in lieu of such taxes which would otherwise be assessed thereon in such year.

9.2 The Lessee's obligation to pay real and personal property taxes shall extend to all potential real and personal property taxes, and the Lessee shall be obligated to pay real and personal property taxes on any improvements it may add to the leased premises.

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9.3 The Lessee shall pay all properly assessed real property taxes for the use and occupancy of the leased premises no later than the due date. Failure of the Lessee to pay the duly assessed real estate taxes when due shall be cause to terminate this Lease by the Lessor. All the terms and provisions of RSA 72:23, as amended, shall apply to the provisions contained in this paragraph and to all other provisions of this Agreement.

Section 10: Assignment and Subletting

10.1 The Lessee shall not assign or sublet any portion of this Lease or the leased parcel to any other party without the prior written approval of the Lessor, which approval shall not be unreasonably withheld. The Lessee may allow tenants to occupy the apartments in the building on the premises, and may provide for assignment or sublease of such tenancy, so long as the occupancy is residential only.

10.2 In the event the Lessor is required by the legislative body of the Town of Moultonborough to sell, transfer, or otherwise convey or encumber the title to the leased premises, the terms of this Lease shall be binding upon any subsequent Lessor and shall remain in effect until such time as this Lease expires, is terminated, or the Lessee commits a breach thereof.

10.3 In the event of an assignment or sub-lease, the Lessee shall provide the Lessor with a copy of the written document(s) by which the assignment or sub-lease is made. Any sub-lessee or assignee shall be bound by all the provisions of this Lease, including the provisions regarding use of the leased premises.

10.4 Right of First Refusal. Should the Town Meeting or the Board of Selectmen vote to sell the parcel of land which is the subject of this lease to a private third party, and should the Town receive from a private third party a bona fide written offer to purchase the property, on terms acceptable to the Selectmen, the Selectmen shall notify the Lessee and provide the Lessee with a copy of the offer. The Lessee shall then have thirty (30) days to notify the Selectmen of its exercise of its right to purchase the land on the same terms as the written offer, and shall, thereafter, purchase the land on those terms within ninety (90) days of its notice to the Selectmen.

Section 11: Binding Effect

11.1 This Lease shall be binding upon the heirs, executors, administrators, assigns, successors or grantees of the Lessee and the Lessor.

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Section 12: Quiet Enjoyment

12.1 The Lessor shall put the Lessee in exclusive possession of the leased parcel as of the commencement of this Lease, and the Lessee shall peaceably and quietly hold and enjoy the leased premises free from any claims or demands of any person, except as provided herein, during the term of this Lease.

12.2 At the expiration of this Lease, or upon other default or event of termination, the Lessee will peaceably quit and deliver up the premises to the Lessor in good order and condition, and in the same condition as when received, subject to reasonable wear and tear, and subject to lawful changes made in accordance with the terms of this Lease.

Section 13: Right of Inspection

13.1 The Lessor or any employee or agent designated by the Lessor shall have the right to enter the leased premises at reasonable hours in the day or night to examine and inspect the premises. Except as the Lessor or its employee or agent may otherwise be authorized by law, such right of inspection shall not include a right to inspect the interior of any structure owned by the Lessee, unless the Lessor gives written notice of its intent to inspect the structure, and the Lessee gives permission therefor, which permission shall not be unreasonably withheld.

Section 14: Bankruptcy, Insolvency, Incompetency

14.1 In the event the Lessee shall become incompetent, bankrupt or insolvent, or should a guardian, trustee, or receiver be appointed to administer its affairs, neither this Lease nor any interest therein shall become an asset of such guardian, trustee, or receiver, or of the Lessee's bankruptcy estate, and in the event of an appointment of a guardian, trustee, or receiver, this Lease shall terminate without further notice from the Lessor, who shall be entitled to possession of the leased premises, unless the Lessee satisfies the Lessor within six (6) months of such event that the lease will be continued and the terms complied with.

Section 15: Right to Ingress and Egress

15.1 The Lessee and its employees and invitees shall have a right of reasonable ingress and egress to and from the leased premises over existing roadways.

15.2 The Lessor, its employees, agents, and invitees, shall have a reasonable right of ingress and egress over the leased premises for access to other premises owned by the Lessor and used by the

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Lessor or by members of the public, so long as the exercise of such right does not unreasonably interfere with the rights conferred by this Lease upon the Lessee.

Section 16: Recording

16.1 Notice of this Lease Agreement shall be recorded at the Carroll County Registry of Deeds by the Lessor.

Section 17: Severability

17.1 In the event a court of competent jurisdiction determines any provision of this Lease to be invalid, such determination shall in no way affect the validity of any other provision, so long as the purpose and intent of this Lease may be carried out despite the invalidity of such provision.

Section 18: Notices

18.1 Any notice required to be given under this Lease shall be in writing and may be served personally or by regular mail addressed to the Lessor or the Lessee, respectively, at the addresses set forth herein, of such other addresses as the parties may, by written notice to each other, appoint.

Section 19: Waivers

19.1 No waiver by the Lessor of any provision hereof shall be a waiver of any other provisions hereof or of any subsequent breach by the Lessee of the same or any other provisions.

Section 20: Default and Remedies

20.1 In addition to any specific right established elsewhere in this lease, the Lessor may terminate this Lease and take immediate possession upon the failure of the Lessee to comply with the provisions of any of the following paragraphs of this Lease:

- a. Section 2: Rent
- b. Section 3: Use of the Premises
- c. Section 4: Utilities
- d. Section 5: Maintenance
- e. Section 6: Insurance
- f. Section 8: Compliance with Law

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g. **Section 9: Taxes**

20.2 Upon the Lessee's breach of any of the foregoing listed paragraphs, the Lessor shall give the Lessee written notice allowing the Lessee ten (10) days from the date of the notice to cure the breach. Notice by certified/registered mail postage prepaid to the Lessee at the address listed in this Lease, or any subsequent address, written notice of which has been received by the Lessor, shall be deemed sufficient notice pursuant to this provision. Upon the failure of the Lessee to cure the breach within ten (10) days of the notice, Lessor shall be entitled, without further notice of any kind, to take immediate possession of the leased premises. Upon such possession, the Lessee's rights under this Lease shall be terminated.

20.3 Upon the termination of this Lease under this provision, the Lessee shall remove all personal property and structures which have not, under the terms of this Lease, become property of the Lessor, within a reasonable period of time. The Lessee shall be entitled to remove any building or structure which they own within a reasonable period of time.

20.4 The Lessor shall be entitled to petition the Carroll County Superior Court, sitting in equity, to enforce this section of this Lease. In the event the Lessor is required to undertake such a petition, the Lessee shall be obligated to pay the reasonable costs and fees, including, but not limited to, attorneys' fees and engineering fees, incurred in prosecuting such petition. The remedy of the petition shall be in addition to, and not in substitution for, any other lawful remedy available to the Lessor.

20.5 In the event the Lessee fails to remove its property, both real and personal, from the leased premises within a reasonable period of time, the Lessor may take possession of such property and dispose of such property as may best serve the interest of the Lessor, free of any claim by the Lessees.

Section 21: Eminent Domain

21.1 In the event the leased premises shall be lawfully condemned or taken by any public authority, including the Lessor, either in its entirety or in such proportion that it is no longer suitable for the intended use by the Lessee, this Lease shall automatically be terminated without further act of either party hereto on the date when possession of the leased parcel is lost, and each party shall be relieved of any further obligation to the other, except that the Lessee shall be liable for and shall promptly pay to the Lessor any rent or other charges then in arrears, or the Lessor

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shall promptly rebate to the Lessee a pro-rata portion of any rent or other charges paid in advance.

21.2 In the event the portion of the leased premises so condemned or taken is such that the premises are still suitable for use by the Lessee, this Lease shall continue in accordance with its terms and a portion of the rent shall abate equal to the proportion of the rental value of the leased parcel so condemned or taken.

21.3 In either of the above events, the award for the property so condemned or taken shall, to the extent permitted by law, be payable solely to the Lessor, except that the Lessor acknowledges that it has no claim to any portion of an award relating to personal property of the Lessee or to the existing structure presently located on the premises.

Section 22: Entire Agreement

22.1 This Lease constitutes the entire agreement between the parties, and neither of the parties shall be bound by any promise, representation, agreement, or past practice inconsistent with the terms contained herein.

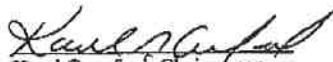

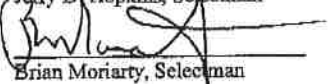
Section 23: Ratification


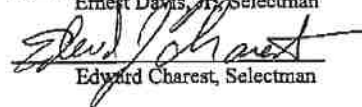
23.1 Pursuant to RSA 41:11-a, this Lease, although executed by the parties, must be ratified by vote of the Town Meeting in order to be valid. The Selectmen shall create and post a Warrant Article for the Town Warrant for the Town Meeting for March, 2006, indicating their support for the ratification of this Lease. If ratified, this Lease shall take effect on August 1, 2005. If not ratified, this Lease shall be of no force and effect, and the current lease between the parties shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hands this 22nd day of July, 2005.

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For the Lessor: THE TOWN OF MOULTONBOROUGH

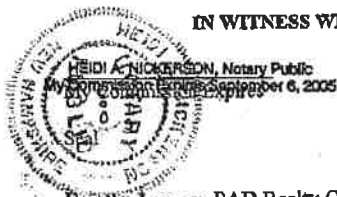

Karel Crawford, Chairperson

Jerry D. Hopkins, Selectman

Brian Moriarty, Selectman


Ernest Davis, Jr., Selectman

Edward Charest, Selectman

STATE OF NEW HAMPSHIRE
COUNTY OF CARROLL


On this the 22nd day of July, 2005, before me, the undersigned officer, personally appeared the above-named Town of Moultonborough by its duly appointed Selectmen: Karel Crawford, Ernest Davis, Jr., Jerry D. Hopkins, Edward Charest and Brian Moriarty, known to me or proven to be the same persons whose names are subscribed to the foregoing instrument, and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.




Heidi A. Nickerson
Notary Public, Justice of the Peace

For the Lessee: PAD Realty Corp of NH


Peter A. DiSalvo, President

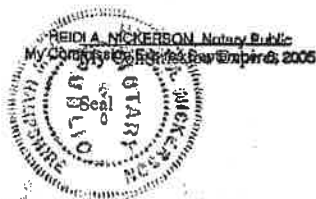
STATE OF NEW HAMPSHIRE
COUNTY OF Carroll

On this the 22nd day of July, 2005, before me, the undersigned officer, personally appeared the above-named Peter A. DiSalvo, known to me or proven to be the same

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person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Heidi Nickerson
Notary Public, Justice of the Peace

EXHIBIT A
DESCRIPTION OF LEASED PREMISES

Beginning at a point on the southerly side of the relocation of Whittier Highway, so-called, said point marking the northwesterly corner of land formerly of Neal, now of Robbins; thence turning and running in a general Southerly direction, following the westerly sideline of Robbins land, a distance of 125 feet to a point at other land of the Town of Moultonborough; thence turning and running in a general Westerly direction, following the westerly sideline of other land of the Town of Moultonborough, a distance of 75.5 feet, more or less, to a point on the easterly sideline of Bean Road extension; thence turning and running in a general Northerly direction following the easterly sideline of Bean Road extension, a distance of 125 feet to a point on the southerly side of the relocation of the Whittier Highway; thence turning and running in a general Easterly direction, following the southerly sideline of the Whittier Highway relocation, a distance of 80 feet, more or less, to the point of beginning.

Meaning and intending to describe the premises upon which is located the building conveyed by John C. Alvord and Joan T. Alvord to PAD Realty Corp of NH by instrument dated 20 July 1995 and recorded in the Carroll County Registry of Deeds at Book 1743, Page 334. Reference may be had to said instrument for a further description of the title to the leased premises held by the Town of Moultonborough, Lessor. Reference may be had to the same instrument for a description of the title held by

BK 2439 PC 0889

the Lessee to the building (earlier known as the Old Center Harbor Post Office) presently located on the leased premises.

BOOK 2439 PAGE 0890